

1 MR. MYERS: We have way over
2 the industry average of root causes. If you look at the
3 number of engineering causes and things we have had, come
4 identify all these walkdown teams and all the Building
5 Blocks; our total number of root causes, and I don't
6 remember the number, is way high compared to industry.

7 MR. VON AHN: Right. We would
8 expect that to be high, but is it trending down is John's
9 question?

10 MR. MYERS: I know it's
11 trending down. The number of CRs we're generating is
12 trending down, but that percentage of open Condition
13 Reports requiring, requiring root cause is still very high.
14 But they're not new ones, they're issues that we identified
15 as part of our Building Blocks.

16 MR. ZWOLINSKI: At some facilities
17 when you have Condition Reports that are at that lowest
18 level, Licensees are not required to necessarily get after
19 that particular issue during this outage, and may defer and
20 may openly say, I don't really need to do it because the
21 safety significance is very low.

22 Where I was going with today's environment, feeling
23 that you may have exhausted many of the more safety
24 significant issues is, are you looking at common, common
25 threads amongst medium and the lows that would argue maybe

1 we do want to get after that and put an end to this
2 particular outage? I mean, I know what you're doing with
3 the highs, you're going after those for a fact.

4 MR. MYERS: We evaluate
5 issues and categorize them.

6 MR. ZWOLINSKI: Yes.

7 MR. MYERS: And look for
8 similarities, is there a root cause. And we see that
9 trend, we'll go write a higher level threshold root cause
10 type of CR.

11 MR. ZWOLINSKI: So, you would
12 actually roll several of those up?

13 MR. MYERS: We had issues we
14 roll, yes.

15 MR. VON AHN: That's similar to
16 what I discussed with the Operations, the collective
17 significance of the issues that they saw. They saw a
18 number of issues with the diesel. Hey, what's going on
19 here? Let's go with collective significance, a higher
20 level Condition Report that would address that, see if we
21 have a common thread or some issue that we don't see with
22 those singular items.

23 MR. ZWOLINSKI: Thank you.

24 MR. THOMAS: Fred, as part of
25 the corrective action process, selected Condition Reports

1 have to be reviewed by SROs as part of the process.

2 MR. VON AHN: Correct.

3 MR. THOMAS: Has your

4 organization done any kind of look at the quality of the

5 SRO evaluations and can you comment on that, if they have

6 looked at that?

7 MR. VON AHN: In my larger

8 organization, yes, I can. SRO's do review those on the

9 front end at Beaver Valley and we actually review them on

10 the back end as well. They're part of the Corrective

11 Action Review Board. There is an Operations Rep on that

12 board that will take a look at those.

13 That board is a multi-discipline board, again, of

14 Operations, Maintenance and a number of folks take a look

15 at that.

16 MR. THOMAS: You missed the

17 question.

18 Has your organization looked at the quality of those

19 reviews at Davis-Besse?

20 MR. VON AHN: I believe we have,

21 and, John, do you want to go over this.

22 MR. REDDINGTON: Yeah. Scott,

23 we've looked at that. I would say about a year ago, we

24 identified that was a weakness, that the SRO's were not

25 given enough verbiage when they would call something

1 operable or inoperable. We also noticed that that didn't
2 translate effectively into the unit log, because when a guy
3 comes in, he doesn't necessarily read Condition Reports, he
4 reads the unit log before he takes the shift.

5 So, we've been focusing on that, and as part of
6 Program Review of Operability Determinations we've been
7 monitoring that. I would say we've seen a marked
8 improvement, a significant improvement. They've instituted
9 peer checks and things like that that's helped that, but it
10 has definitely improved significantly over the last year.

11 MR. THOMAS: Okay, thank you.

12 MR. VON AHN: Any other

13 questions?

14 Finally, Quarterly Reviews. In our Quarterly
15 Reviews, one area we're starting to focus on, ~~our~~ are Procedure
16 Compliance Issues. We did identify this during this
17 quarter's activities, and we know this was a contributing
18 issue to the ~~RPD~~ RPV head root cause, one of the contributing
19 issues were procedural adherence issues.

20 We will start to develop comparative data in this
21 area, and we are looking at the, we'll look at subsequent
22 CREST Condition Report reviews to validate what we're
23 seeing. Again, we identified it with our observations.
24 We've looked at some comparative data in CREST. We see
25 some things here and we're going to continue to monitor

1 that.

2 In summary, we see improvements in key areas like
3 Operations. The plant is making headway on resolving
4 Containment Health Issues. The challenges still remain
5 with Corrective Action Process, and we'll continue to
6 monitor this area.

7 Finally, I would like to introduce Lawrence Martin.

8 Lawrence, could you stand up. Thank you.

9 Lawrence joins the team with over 40 years of total
10 nuclear experience. Lawrence also has extensive experience
11 at a number of sites upon restart after an extended
12 shutdown. And Lawrence will be stationed full time at
13 Davis-Besse. His main focus will be to assist me, not only
14 in the oversight of the Davis-Besse restart activities, but
15 putting into place measures that assure long term
16 continuous performance improvement at FENOC in Quality
17 Assurance Programs and Safety Culture.

18 I would like to turn the program back over to Lew
19 Myers for Safety Conscious Work Environment discussion,
20 unless there are any other questions?

21 MR. ZWOLINSKI: I know you tried
22 to cover it. I maybe didn't get the full thrust on the
23 procedure compliance issues.

24 MR. VON AHN: We saw some
25 procedural compliance issues in our review.

1 MR. ZWOLINSKI: If I understood
2 correctly, you're dedicating a team that will be
3 responsible for procedures going forward --
4 MR. VON AHN: Yes.
5 MR. ZWOLINSKI: -- in Bob
6 Schrauder's organization?
7 MR. MYERS: That's correct.
8 MR. ZWOLINSKI: Is that accurate?
9 MR. MYERS: That's accurate.
10 MR. ZWOLINSKI: So, he'll have the
11 opportunity to look backwards and see what kind of problems
12 you've identified and Lessons Learned, take that forward
13 and make that robust?
14 MR. MYERS: We have a
15 procedures group at our other plants, and we're able to
16 monitor a number of procedures changes, the top procedure
17 changes, problem areas and all that. We expect Bob to
18 check that out.
19 MR. ZWOLINSKI: Okay.
20 MR. GROBE: Lew, before you go
21 on with Safety Conscious Work Environment, could you
22 comment a bit on the efforts you have underway to
23 understand better the impact of the CR rollovers and where
24 that stands and what you've done from that?
25 MR. MYERS: Yeah. I think

1 there is like five thousand CRs that were restart type CRs,
2 gone back and looked at, what we did is, we had some
3 questions about the rollovers, where we rolled several CRs
4 together and performed one root cause. And the question
5 was, we look at the original CR, once you rolled it into
6 this big bunch, do we really solve the problem with the
7 original CR.

8 What we've done is gone back and looked at that, out
9 of that 5,000 population, about 500, 490 something, the
10 rollover, rollovers as I understand right now. We're
11 taking and reviewing each and every one of those
12 rollovers. We have a team together, that we pulled
13 together from our other sites, and went over each and every
14 one of them and traced the issue to make sure the
15 corrective action finally addressed that issue, so it's not
16 lost. So, we got that team together now.

17 MR. GROBE: When do you
18 expect that activity to be completed?

19 MR. MYERS: Probably the next
20 couple of weeks. I hope.

21 MR. GROBE: Thank you.

22 MR. MYERS: Safety Conscious
23 Work Environment. At the last meeting, we talked about the
24 March survey, and we were very pleased with that survey and
25 improvements in the performance that we saw.

1 At that meeting though, there was two questions that
2 were of concern; Question 35 and 36, which weren't as
3 positive as what we've seen in the past. In fact, the
4 performance in those two questions were worse. So, we took
5 an action to take and evaluate the results.

6 Let me tell you what we did there. We took, what we
7 did, is response analysis. What we did there, we took the
8 responses to several questions, we grouped those questions
9 together, sort of asked the same thing, looked at the
10 questions, not only similar questions, but by group; and
11 maintenance, electrical line, contractors, so First FENOC
12 employees versus contractors.

13 So, we did that. Then, we went out and did a
14 comparison with other programs from those two questions.
15 We looked at our Employees Concerns Program, Quality
16 Assurance Program, and our NRC Allegations Program; and,
17 how does this stuff correlate. And then, finally, we went
18 out and talked to some people and did some personnel
19 interviews about these two questions.

20 So, the next couple of slides, I'll share with you
21 the results.

22 If you go look at the questions that are positively
23 correlated, this question 7, 25, 30, 35, and 36.

24 The question 7, "I can raise a nuclear safety or
25 quality concern without fear of retaliation." We went from

1 a negative response rating total of 18.5 percent to 7.1
2 percent. We were pretty pleased with that. And
3 especially, when we go look at it in the FENOC area, which
4 we went from 22 percent to a 4.2 percent.

5 If you go look at the next question, "I feel free to
6 raise nuclear safety or quality issues on CRs without fear
7 of reprisal." We had a negative rating overall of 16.1
8 percent. And when we go back and look at FENOC by itself,
9 we went from 18 percent down to 3 percent. So, we're
10 pretty pleased with that. And the total rate, we went down
11 to 5.6 percent.

12 "I can use the EC Program without fear of
13 retaliation." We had 14.6 percent total, and 5.1 percent,
14 but when we look at just FENOC, we went from 18 to 3.2
15 percent negative rating.

16 Now, the next two questions, concerned intimidation,
17 harassment issues. And we didn't get the response in those
18 two questions. I guess the response sort of surprised us,
19 because we went from a negative response of 7.1 percent to
20 8.1 percent. "I have been subjected to an HIRD within the
21 last six months." and "I'm aware of others who have been
22 subjected to HIRD within the last six months." That's
23 question 36. We went from a 7.1 percent or 12.4 percent
24 negative response, to an 8.1 and 15.3. That's what
25 generated the issue.

1 So, when we went back and broke that apart, we
2 looked at FENOC, we actually went from a 8.9 FENOC rate to
3 5.1 percent FENOC rate, which was a positive trend. And
4 from a FENOC standpoint on Question 36, we went from 14.6
5 percent down to a 10.2 percent negative, which is another
6 positive trend.

7 Now, contractors are the areas where it tended to
8 poke out in red, and we tried to analyze that somewhat.

9 Go to the next slide, please.

10 We went back and looked at the survey analysis with
11 interviews and stuff. If you look at the survey question
12 on harassment, intimidation, retaliation, and
13 discrimination, what we found is there was a clear focus on
14 [10CFR] 50.7 issues.

15 When people, when contractors, most of the
16 contractors responding to this, were hourly type. We went
17 from, if you look at the original survey we did a year ago,
18 most of the contractors in there were longer term
19 engineering type contractors, down to more of an hourly
20 type contractors that we have on site right now, in work
21 area.

22 And when you go question them about harassment and
23 intimidation and 50.7, their knowledge of that is not as
24 thorough. And if they do something that they don't like,
25 you know, they consider that harassment, intimidation, for

1 a job they didn't want to do. So, we got a lot of feedback
2 there from that question.

3 Then we went back and asked them about the term
4 HIRD, question was not clearly stated, when you use the
5 term HIRD, it wasn't terms like harassment, intimidation,
6 that's the name of a bird or something. So, you know, the
7 question was not clear in their mind when they read that
8 from a contractor standpoint. That's some of the feedback
9 we got when we talked to employees.

10 Responses are more consistent that we found in FENOC
11 with ECP and Safety Culture survey results. Worker concern
12 about schedule pressure and directive management rather
13 than 50.7 HIRD concerns; are one question.

14 When you read that again to question people, you
15 know, what you heard was, a lot of pressure to get the work
16 done from a schedule pressure standpoint, and the
17 management approach right now is more directive than what
18 they've seen in the past. And that's, they would answer
19 that from a HIRD concern as being a negative trend. So,
20 they're not clearly understanding what that meant.

21 So, that was the two areas that they focused on.

22 MR. GROBE: Could you go back
23 to the last slide, Lew?

24 MR. MYERS: Sure.

25 MR. GROBE: So, what I hear

1 you saying, is the questions 35 and 36 --

2 MR. MYERS: Are correlated to
3 7, 25 and 30, and got different results overall.

4 MR. GROBE: Right. So, going
5 forward, if you plan on using those questions again, you're
6 going to restructure them?

7 MR. MYERS: We might spell
8 out what HIRD means in the question. So, yeah, we would
9 restructure the question, something like that.

10 MR. GROBE: But FENOC
11 question 7, 25 and 30, if you look at your contractors, it
12 either has stayed the same or got worse.

13 MR. MYERS: That's correct.

14 MR. GROBE: What are you
15 doing about that?

16 MR. MYERS: Well, I was going
17 to answer that question earlier.

18 MR. GROBE: Good.

19 MR. MYERS: The contractors
20 are our concern. What we have to do in our contractor
21 training program; when we bring them in, we have to be more
22 clear about our programs and our terms, and address these
23 results. Maybe that's improve our training programs, I'm
24 not sure, but we are going to put an action plan in place
25 that goes to try to understand what that's telling us

1 about, you know.

2 MR. GROBE: Okay, is there a
3 CR on that, that I can?

4 MR. MYERS: I don't think
5 so.

6 MR. GROBE: Randy is nodding
7 yes.

8 MR. MYERS: Okay. There is,
9 Randy? Okay.

10 MR. GROBE: So, I can go find
11 that.

12 MR. MYERS: Okay.

13 If you look at the next slide, the NRC Allegations.
14 One of the things, we go back and look at our other
15 program, like allegations, and there is a negative trend
16 there, which would substantiate from an NRC allegation
17 standpoint, it's an improvement.

18 Next slide shows that, really gets into the
19 Retaliation Category, and we see a negative trend there,
20 which would substantiate, tend to substantiate in the First
21 FENOC areas we're seeing improvement and even in the
22 contractor areas, overall we're seeing an improvement.

23 If you go to the next slide, we went back and looked
24 at ECP programs, that work in progress. Remember, back a
25 few months ago when we looked at ECP versus NRC type

1 concerns, people would use the NRC Concern Program before
2 they would use our own in-house.

3 That's greatly changed. You see the trend now where
4 our ECP Program is really taking off and people are feeling
5 free to come forth and use that program. We think that's a
6 positive trend from an intimidation, harassment standpoint
7 also.

8 Next slide.

9 Overall, you know, we base our overall conclusions
10 on looking at these two questions. We think our workers
11 recognize the responsibility to raise nuclear safety
12 concerns and quality issues. And you can see our CR
13 process has a low threshold, and overall certainly noticed
14 that people will bring stuff forward.

15 I can tell you in my 4-C Meeting too, I ask that
16 question routinely. I get extremely, I think, a hundred
17 percent results without raising concern.

18 "Workers feel free to raise nuclear safety and
19 quality concerns without fear of retaliation through their
20 chain of command, through the Condition Report process, and
21 through the Employee Concerns Program."

22 We tend to see that all across the board, that the
23 first thing you would like people to do is use the
24 Corrective Action Process. Next thing, there is chain of
25 command; either one of those two; and up to my level if

1 they need to. Then, finally, the Employee Concerns
2 Process. We see all three of those having a fairly
3 positive trend right now.

4 There is still pockets of negative perception.
5 Sometimes in the RP/Chemistry Maintenance and Engineering
6 Departments. Survey people, we recognize those are pockets
7 and areas we need to continue work on.

8 And then "Contractors have a more negative overall
9 perception than the FENOC employees." That's something we
10 need to get action plan on, look at our in-processing, make
11 sure they understand the processes and how to use them; you
12 know, and are willing to work with our contractors. We're
13 taking an action on that.

14 And additional senior management needed attention to
15 Safety Conscious Work Environment. Once again, RP,
16 Chemistry and Maintenance, we found still some hot pockets
17 there, especially on specific shifts and stuff. Okay?

18 But overall, once again, we told you last time, we
19 were pretty pleased with the results of that survey. The
20 purpose of this is just to answer the question to us as
21 last time about those two. Okay?

22 MR. GROBE: Appreciate that.

23 So, you're going to be taking some additional
24 actions in some areas. What is your plan? Are you
25 planning on doing this type of evaluation again in six

1 months or a year or what is the plan?

2 MR. MYERS: We'll continue to
3 use this type of evaluation, as well as others.

4 MR. GROBE: Okay. Thank
5 you.

6 MR. MYERS: You know, the
7 term convergent validity, really caught on.

8 MR. GROBE: Yeah.

9 MR. MYERS: Next area,
10 Randy.

11 MR. FAST: All right. Thank
12 you, Lew.

13 Good afternoon. I'm pleased to provide an update
14 and final report on our Containment Building Block
15 progress. First slide, please.

16 The bullets represented here are the actual scope of
17 the Containment Health Building Block. Of those, those
18 that you see on the lefthand side, Emergency Sump,
19 Containment Coatings, Fuel Integrity, Environmentally
20 Qualified Equipment, FLUS, and Boric Acid Inspections are
21 complete and ready for Mode 4.

22 On the right side you'll see, Decay Heat Valve Tank,
23 we still are sealing conduits there. That work is
24 progressing well and will be completed within the next
25 week.

1 Containment Air Coolers, we've done a final air
2 balance test on all three Containment Air Coolers and
3 results are being evaluated by Engineering.

4 Refueling Transfer Canal. We've implemented our
5 implementation plan -- or excuse me, our discovery plan.
6 We still have some actions that we'll do, you know, future
7 outage, not required to be done now as part of restart.

8 Containment Pressure Vessel. That's the sealing of
9 the annular space in the lower portion of containment in
10 the steel, steel pressure vessel and the concrete. And
11 we're still evaluating that work. That may be done after
12 the first Mode 4.

13 As well, Corrective Action, Evaluations and all of
14 the Corrective Actions are in their final stages of
15 closure. So, that's very close coming to an end.

16 Next slide, please.

17 MR. SHERON: Randy, before you
18 go off that slide.

19 MR. FAST: Yes.

20 MR. SHERON: On the FLUS
21 System, where is, I'm still kind of trying to understand
22 where that fits in your overall scheme of things. When you
23 came in, I think, the agency several months ago, it was not
24 going to be a tech spec requirement on it or anything like
25 that. And so, the question is, I mean, NRC has no

1 requirement, okay, for it.

2 You know, in terms of, okay, you start up, and let's
3 say this thing starts giving you a lot of false positives
4 or something, is it your plan to fix it or just say, it's a
5 failed experiment, and turn it off, or?

6 MR. FAST: Brian, let me try
7 to answer that question. We don't have any reason to
8 believe it's going to be a failed experiment. And,
9 principally, the reason we feel that way is we have looked
10 at it extensively. It is used in Europe. It's been used
11 very extensively. In fact, we look at that closely because
12 we would be concerned about installing a monitoring system
13 that could not provide the right level of reliability.

14 This project has really been a model for
15 installation and the calibration. We brought over a Ph.D.
16 that was part of the development of this program. We've
17 calibrated it. And, we have a lot of confidence in it.

18 It has a lot of self-check features built into it
19 that will allow us to monitor the humidity levels under the
20 vessel. So, we did a lot of analysis of this. And,
21 although, not required from a regulatory standpoint, it
22 really requires the right standards for us in monitoring
23 undervessel performance.

24 So, I know obviously my optimism might be
25 overzealous here, but based on the kinds of results that

1 we've seen from the industry, we have a pretty high
2 confidence this is going to work well. Part of our test
3 plan Mike talked about previously is injecting the test
4 signal and actually monitoring the system's performance so
5 we have some real time data and we'll do that during our
6 normal operating pressure and temperature test.

7 There is another element of this. We believe that
8 by looking at industry best practices, we've developed a
9 Leak Monitoring Program and we have, one of our engineers,
10 system engineer, a program owner for that; and that will go
11 through a validation process of looking at Reactor Coolant
12 System leakage, which is done on a daily basis by the
13 Operations staff. And then, correlating that information
14 with the information we get from the FLUS System.

15 So, that as well provides a validation of the leak
16 integrity of the Reactor Coolant System.

17 MR. SHERON: I'm not trying to
18 be, you know, rain on your parade or anything, but that
19 does depend on your understanding of, say, crack behavior
20 on lower penetrations. I mean, for example, the type of
21 leakage that has been seen in South Texas, which they
22 haven't confirmed yet, as far as I'm aware. I'm not sure,
23 would that even be detected by this system?

24 MR. FAST: Brian, I
25 understand, the correct propagation would have earlier

1 indications of higher humidity, which could subsequently be
2 dismissed, because of the close after some period of
3 time.

4 So, that's something that, we understand the
5 phenomenon, we understand the crack propagation of the
6 J-groove weld on the undervessel attachments. And well --

7 MR. SHERON: Where I'm going is
8 there is two aspects to this whole thing. One is obviously
9 leakage and, say, accumulation of boron, okay, the
10 potential for any corrosive environment. The second is
11 understanding the crack growth phenomenon. In other words,
12 will I have a crack, you know, the stress fields are
13 different and so forth on the lower head and the like, and
14 there are residual stresses which we may not even know
15 about.

16 For example, when we met with south Texas the other
17 day, they told us about the installation of the, of the
18 thermal tubes that they put in on the lower head. They
19 said, there is a streaking process in there where they
20 physically have to bend them over to get them straight so
21 they're aligned. That's introduces residual stresses,
22 which obviously, nobody can put their finger on in terms of
23 knowing, you know, is it large, small, or the like.

24 The point I'm driving at is that, you know, unless
25 we know about crack behavior and whether cracks will always

1 go through the wall and exhibit leakage before they, for
2 example, turn circumferential; is there a stress field for
3 turning circumferential. There is still an uncertainty.
4 Do you follow that?

5 MR. FAST: I understand
6 that. You're absolutely right, Brian. This will only
7 provide us the opportunity to monitor for humidity and
8 changes in moisture content.

9 We were able to mockup in Lynchburg with Framatone
10 very, very small leaks in the area of .01 gallons per
11 minute, and be able to detect that very small leakage.
12 Although, your points are that we may not understand the
13 crack initiation, propagation and leakage elements, we do
14 have some confidence that the equipment is able to measure
15 changes in the humidity undervessel.

16 MR. SHERON: Yeah, I'm
17 certainly not advocating taking it out or anything, but I
18 just recognize there could be some limitations on it.
19 That's all.

20 MR. FAST: I understand.
21 Thank you, Brian.

22 MR. MYERS: I think what it
23 does, if you had a real leak, it would tell you, there is a
24 very, very low leakage, like .01, so it could be early
25 warning. Okay?

1 MR. SHERON: Right.

2 MR. ZWOLINSKI: I saw that

3 equipment. I guess maybe somebody said it, I apologize.

4 Where is it going to read out at?

5 MR. FAST: Reads out on the

6 plant computer system.

7 MR. ZWOLINSKI: Is that right?

8 MR. FAST: Yes, sir.

9 MR. ZWOLINSKI: Okay.

10 MR. GROBE: Randy, before you

11 go on, we actually had a question from a member of the

12 public, but it fits right in here. If you don't mind I

13 would like to.

14 It says, with the recent findings at the Texas

15 plant, has that changed the way you'll be checking for

16 leaks on the bottom of the reactor?

17 And, secondly, are you confident the scheduled tests

18 will be able to detect any leaks on these nozzles and once

19 the plant is restarted, how would you monitor the bottom

20 for leaks?

21 MR. FAST: The answer to the

22 first question is I believe our Leakage Detection Program

23 is comprehensive, and we believe we will be able to detect

24 any minor amounts of boric acid that would collect on the

25 floor annular space for the attachment to the lower

1 vessels.

2 And the second question again, was?

3 MR. GROBE: The first
4 question was, with the recent findings at the Texas plant,
5 has that changed the way in which you will be checking for
6 leaks on the bottom of the reactor at Davis-Besse?

7 MR. FAST: It does not, our
8 program is comprehensive.

9 MR. GROBE: Once the plant is
10 restarted, how will you monitor the bottom for leaks?

11 MR. FAST: That is the FLUS
12 System, as well as doing the Reactor Coolant System
13 Inventory Test and the leakage management.

14 MR. GROBE: Brian?

15 MR. SHERON: I'm not sure who
16 asked this, but I just, for people that are saying what's
17 going on with South Texas. South Texas Project was
18 inspecting the lower head. I guess it was now several
19 weeks ago. And they found slight traces of Boron on two
20 penetrations. One, basically right in the center of the
21 lower head and one on a periphery.

22 There was a very small amount, one was about 3
23 milligrams of Boron, one was about 150 milligrams of
24 Boron. They said to put that in perspective, 150
25 milligrams of Boron is like half an aspirin.

1 They don't know, they've pretty much concluded that
2 the Boron came from primary coolant leaking. It wasn't
3 something that ran down the side.

4 What they don't know yet is the root cause of this
5 leakage. There is several possibilities that one could
6 postulate. Stress corrosion cracking is one. The other
7 might be fatigue, it could be a fatigue crack; for example,
8 due to a flow induced vibration. Could be, just be a bad
9 weld.

10 We don't know yet. So, we're waiting to see what
11 the Licensee finds out, what their root cause. They have
12 come in. They were in for a meeting, I think it was just
13 last week, and talked to us about their entire program.

14 They're actually doing a mockup of the penetration
15 down at the EPRI Research Center to better look for ways
16 that they could do UT on the lower penetrations.

17 So, basically, until we find more and understand
18 better what the root cause of this is, you know, NRC is not
19 for example off, going to ask all Licensees to go off and
20 inspect their lower head penetrations and the like at this
21 time. But again, we have to wait and see what the Licensee
22 comes up with on their root cause.

23 MR. GROBE: That's correct.

24 MR. MYERS: My understanding,
25 they're looking at a FLUS System.

1 MR. FAST: Brian, we have
2 been in regular contact with South Texas as well. Our lead
3 engineer, in fact, I got a call today that they identified
4 that, and I hooked them up with our guy, and we've been in
5 regular communication. I've seen pictures as well.

6 So, I know they're working through that issue.
7 We'll certainly want to understand what they're dealing
8 with and share that with the industry.

9 MR. GROBE: One other issue
10 on that, Randy, if I could.

11 One aspect of the findings at South Texas that
12 complicates understanding the applicability of those issues
13 at Davis-Besse is that the design of the penetrations are
14 substantively different on that reactor, on the lower head
15 from the Davis-Besse design penetrations. So, there is not
16 a direct correlation at all between South Texas and
17 Davis-Besse.

18 MR. FAST: I understand
19 that. Thank you, Jack.

20 Last slide, please. Containment Closeout. Physical
21 work and paper closeout in support of Containment Health is
22 in the final closure phase.

23 I want to make a comment that we have team meetings
24 with our staff before we have public meetings, so that we
25 can disclose information. One of the things I mentioned,

1 we do this kind of off the cuff in front of our folks and
2 talk, I made a comment that as the sponsor for containment
3 health, we were getting out of the containment health
4 business.

5 I really thought it was kind of interesting that I
6 had one of the system engineers come up to me afterwards
7 and say, Randy, we're never getting out of the containment
8 health business. I said, well, that's a great comment.

9 The reality is, the project may be coming to a
10 close, but we have institutionalized the right standards
11 through our Maintenance folks, our Operations folks and our
12 Engineering folks. We have what we believe is a good Boric
13 Acid Corrosion Control Program and Owner; and we're using
14 our Corrective Action Program to identify those issues,
15 evaluate them, and take the appropriate corrective
16 actions.

17 So, certainly, those Lessons Learned at Davis-Besse
18 are going to be long held to the future. So, we're not
19 getting out of Containment Health business.

20 The last I wanted to identify, is you see the
21 American flag is painted up in our containment dome. It's
22 quite impressive actually.

23 John, I think you had a chance and Brian to see that
24 today.

25 Really a tribute to our great country. And, also to

1 the hard work and dedication of all the men and women who
2 have worked so hard in our containment to get that work
3 done. As you saw, our containment is in pretty good
4 shape. We're proud of it. And we'll be glad to set new
5 standards for our containment health.

6 MR. SHERON: They assured us,
7 it was painted with qualified coatings.

8 MR. FAST: Yes, sir, I
9 checked the spec myself. You know, they sent it to me, and
10 I verified it. It's actually Old Glory Red and Blue, but
11 it is a qualified coating.

12 With that, I'll turn it over to Lew for closing
13 comments.

14 MR. GROBE: Any other
15 questions?

16 MR. ZWOLINSKI: Lew, can I go back
17 to Graph 44 on your ECP trends?

18 Just so it's clear to this person and maybe others.
19 Do you put these kind of issues when they're raised either
20 to NRC or to ECP, do you put those in the Corrective Action
21 Program?

22 MR. MYERS: The answer is no,
23 not normally. We have on occasions.

24 MR. ZWOLINSKI: And, do you, does
25 somebody take look at these, as far as the safety

1 significance; and I'm going back a little bit to the CR
2 Program. In other words, someone wanted to raise a
3 significant issue, and you found a lot in here, they're not
4 going to the right place, but you know, the lightbulb isn't
5 fixed or something.

6 MR. MYERS: If we look at one
7 of our ECP issues and we found a concern, that can generate
8 a CR, safety-related CR. It would. In other words, if we
9 were looking at the issue, and we found that it was a CR
10 type issue, we would generate one.

11 MR. ZWOLINSKI: Okay. So, and I
12 think the short answer to this, these two graphs, is that
13 you handle these issues outside the normal CR process
14 though.

15 MR. MYERS: Yes.

16 MR. ZWOLINSKI: Okay. Thank
17 you.

18 MR. MYERS: In closing, our
19 intention today was to talk about the Management/Human
20 Performance, Root Cause and Safety Culture. We continue to
21 improve, we think, in the overall quality of our management
22 team that we have in place, and management ownership of
23 problems that we find at our plant. We think our
24 management continues to bring quality people in, and we're
25 seeing improvements in the fragnets and ownership.

1 It's our intention to modify the HPI pump or replace
2 the existing pump. We feel that will gain us a reliability
3 margin. It's probably the right thing to do.

4 We will continue to focus on our Mode 4. That tends
5 to answers a lot of questions for us, and the activity that
6 we need to complete, complete prior to restart.

7 One of the comments I have here; you know, if you go
8 look, a lot of extended shutdown plants, they just put
9 things in bucket; restart, nonrestart. We continue to work
10 about 50 percent of the stuff off, that are classified as
11 nonrestart. So, we have not stopped working off our
12 nonrestart items throughout this outage.

13 What we believe that will do for us, we'll start the
14 plant back up, we'll do it in good stead from a backlog
15 standpoint, better than we typically see before. We are
16 pleased with that.

17 And that's also true in the maintenance work order
18 area. We believe our total maintenance backlog for
19 corrective maintenance will be somewhere in the 275 range
20 when we start up, which was the goal in the original
21 outage. So, we're just not letting backlogs continue to
22 build.

23 We believe that our station performance, both from a
24 physical and people standpoint, continues to show good
25 progress. Randy gave a good example awhile ago that, about

1 the containment and not closing our containment. You know,
2 our Building Blocks were put in place in our restart plan,
3 not just to close a bunch of actions out, but to take the
4 necessary actions and implement those actions to ensure
5 sustained performance for each and every Building Block
6 after restart.

7 I mean, and a lot of times we've added programs in
8 place. For example, our Leak Rate Program is really state
9 of the art. It really is state of the art.

10 You go over and look in our engineering area, our
11 system walkdowns and program reviews, we think are pretty
12 unique for the industry. For each of the these Building
13 Blocks our intention is sustained performance.

14 And Brian, John, Bill and Jon, I thank you for
15 coming to the plant today. We appreciate you coming there,
16 and appreciate it.

17 MR. PASSEHL: Okay. Okay, that
18 concludes the meeting. We would like to take five minutes
19 break and let FirstEnergy people leave or whatever they
20 want to do, then we'll take questions from the public.

21 Thank you.

22 (Off the record.)

23 MR. GROBE: This part of the
24 meeting is intended to receive questions and comments from
25 members of the public.

1 I do have one card, while you all are queuing up in
2 front of the microphone. The question is, have these
3 meetings been a help or hinderance to the NRC's inspection
4 or investigations? It's really an interesting question.

5 These meetings have several purposes. Folks like
6 Dave Passehl and Jon Hopkins and Scott, the Senior Resident
7 Inspector, and Christine Lipa in the Region, have very
8 close daily connection with what's going on in the plant.
9 Other members of the panel have a less close connection
10 with day-to-day activities.

11 For the panel as a total, these meetings serve the
12 purpose of getting a broad update on topics that are of
13 interest. We work with the utility on the agenda, so we're
14 discussing things publicly that we have a particular
15 interest in.

16 They don't directly help or hinder the inspections
17 or investigations, but what it does do is occasionally
18 helps us bring focus. You may see me slip a note to Scott
19 every once in awhile during a meeting. Those notes are
20 usually, hey, take a look at such and such next month or
21 take a look at this, or put some more time in that. We do
22 the same thing in region.

23 So, it does give us some assistance in planning on
24 some of the inspection type of activities we do. But as
25 far as hindering or helping the inspections, they don't

1 really have a significant impact on that.

2 The other purpose to these meetings is we're doing
3 them publicly. That gives you an opportunity to see what
4 we're doing, what kind of issues we're addressing with the
5 utility, seeing the way in which we do our jobs. So, those
6 are the purposes to the meetings.

7 Does anybody else have a question or comment? This
8 is the only other card I have.

9 MR. RULAND: Could I add
10 something? See if this works. How is that?

11 Okay, as somebody that's basically come new to this
12 process, this is my second panel, you know, the kind of
13 discussion here is, while it provides us sufficient detail,
14 it's to a certain extent topical. Behind our judgments
15 about all these items, you know, a very large amount of NRC
16 inspection has to go on.

17 If you heard me ask a question about license
18 amendments, just finding out about license amendment is not
19 really going to make or break what we're going to do, but
20 it's sure going to get us to mobilize our folks back in
21 headquarters to get them ready to review that license
22 amendment. So, for me, it has helped me get up to
23 speed, hopefully, relatively quickly and it helps us plan
24 our resources.

25 But again, it's not going to form our judgment

1 ultimately on the acceptability of what the Licensee is
2 doing. It keeps us posted, and the inspections support
3 that.

4 MR. GROBE: I don't see a
5 whole line of folks queueing up.

6 Ah, there we go. Amy Ryder.

7 MS. RYDER: Actually, just
8 two questions. One is just a logistical question. This
9 was a question I had at the last month's meeting that I
10 have again this month with regards to the survey that was
11 taken by FENOC, the worker survey.

12 The numbers still don't seem to add up with the
13 number, total number of surveys that were collected and
14 then broken down between FENOC and contractors. Was there
15 a third category of people that were included in that
16 survey?

17 MR. GROBE: Is Randy still
18 here?

19 MR. RULAND: You mean it
20 doesn't add up to a hundred percent, is that what you're
21 saying?

22 MS. RYDER: No, it says 666
23 FENOC employees and 337 contractors were surveyed in 2003,
24 which would be a 1,043 individuals, but on here it says
25 1,139 surveys were distributed.

1 MR. GROBE: Amy, I'm not sure
2 that we have that level of detail. Randy Huey for the
3 company --

4 Mike, do you know the answer to that?

5 MR. STEVENS: There's Randy.
6 Let him answer.

7 MR. GROBE: Yeah, what I
8 would suggest is that, for that kind of question, you chat
9 with Randy Huey, fine looking fellow in the blue shirt,
10 after the meeting and he knows every little bit of data
11 that goes into it.

12 MS. RYDER: Can he answer it
13 now, so everybody can hear?

14 MR. GROBE: Sure, why don't
15 you ask your question again?

16 MS. RYDER: I'm trying to
17 understand why these two numbers don't add up to that?

18 MR. HUEY: Randy Huey.
19 The answer is that this is just showing the people
20 that we knew were FirstEnergy and the people we knew were
21 contractors. There were 95 people who took the survey, who
22 didn't indicate whether they were FirstEnergy or
23 contractors.

24 MS. RYDER: So then, these
25 numbers reflect just the ones that you knew?

1 MR. HUEY: Right. Each of
2 these are reflecting -- actually, it's like this number is
3 666 total FirstEnergy people identified themselves as such
4 on the survey. Now, for each question, all of those didn't
5 necessarily answer each question, so the percentage for
6 each question is based on the number of people that
7 actually answered that question.

8 MS. RYDER: Good, thanks.
9 My other question is whether or not, will there be a
10 public meeting to hear about the results of the Haber
11 study?

12 MR. GROBE: Yeah. Well,
13 yes. There is going to be two different public meetings.
14 I anticipate a meeting sometime in the next month or two.
15 I think Dave Passehl alluded to it earlier in his
16 presentation.

17 The focus of that meeting, it will be in the Region
18 III office, but there will be availability through
19 telephone lines, or if you happen to be in Washington or
20 Chicago. We would love to have you out to Chicago. You
21 can sit in. There will be a public meeting in Chicago.
22 For the Utility to present the results of their Safety
23 Culture Assessments, as well as what those assessments
24 informed them of, what actions they're taking as a result
25 of those, and what long term plans they have, specifically

1 with respect to continuing improvement in Safety Culture,
2 as well as continued monitoring of Safety Culture?

3 MS. RYDER: Do you know when
4 the NRC's inspection of Safety Culture will be completed?

5 MR. GROBE: That's the second
6 public meeting. We'll have a public exit. The when is not
7 clear. Next several weeks, I would expect the inspection
8 will be complete as far as the on site work. There will
9 likely be some additional work that's done off site. And,
10 our expectations is that we will have a public exit
11 meeting. That will probably be conducted at the
12 Davis-Besse Administration Building.

13 MS. RYDER: Actually one more
14 sort of general question. I understand there is, this is
15 sort of a follow-up question to the South Texas issue, but
16 I understand that corrosion has been found on the lids of
17 two other plants. I know one is in Florida. I can't
18 remember where the second one is.

19 MR. GROBE: I've been kind of
20 foresighted on Davis-Besse.

21 Brian?

22 MR. SHERON: Yeah, the Saint
23 Lucy Plant did an inspection and they found several cracks,
24 as I understand, on two, I think it was two penetration so
25 far. They may have found some more today.

1 And there, I think, I'm trying to remember, I think
2 they're scheduled to replace their head in 2000 -- Unit One
3 is 2005, Unit 2 is 2006. And so, they'll probably be
4 looking at repair options with regard to their head.

5 MS. RYDER: It sort of leads
6 me to wonder whether or not these plants are really built
7 to last the 40 years they were licensed to operate, if
8 we're starting to see cracks a lot sooner than that.

9 MR. SHERON: Remember, the 40
10 years for a license was principally based on economic
11 considerations, rate of return, and depreciation, and so
12 forth. When we licensed the plants, there was every
13 expectation, I think at the time, that they would perform
14 for 40 years; although, we did put in place programs and
15 requirements for inspections for the very reason that we
16 were, you know, obviously didn't know everything at the
17 time.

18 I think the cracking of Inconel 600 is something
19 that was not fully expected when the plants were designed
20 and built; and, as such, you know, as we find the
21 degradation, we are putting in place appropriate, you know,
22 inspection requirements. The order that will now, back in
23 I think February, I think as an example of that.

24 We are looking at the operating experience as these
25 plants like Saint Lucy do inspections, to see if there is,

1 if they learn anything that would say we need to modify the
2 order. For example, we had susceptibility criteria in
3 there, which was time and temperature, and we had rankings
4 of plants, and the inspection requirements were sort of
5 graded in accordance with their susceptibility.

6 If we come across a plant that, for example, has
7 degradation that maybe is in a low or medium susceptibility
8 category, we may have to consider modifying these
9 requirements as we move forward.

10 Certainly, with South Texas, once we learn more
11 about what the root cause of that is, we'll have to see how
12 we move forward in terms of inspection requirements for the
13 lower vessel heads.

14 MR. GROBE: There is actually a
15 broader context to that answer too, because a license
16 exists for 40 years, didn't mean that the expectation was
17 that all the equipment would last for 40 years. There is
18 regular preventative maintenance and replacement of
19 equipment. There is many modifications that occur every
20 year which improves systems.

21 Some utilities have actually been able to replace,
22 for example, feedwater control systems with new systems
23 that are more effective. They engage on that for one of
24 two purposes; one, is they no longer have replacement parts
25 for a system that might be twenty years old; the other is

1 they might get more power out of their secondary plant.

2 So the, there is not a nexus between the 40 year
3 license and expectation of all the equipment would last for
4 40 years. That wasn't, there is no connection between
5 those two concepts.

6 MS. RYDER: Well, will the
7 conditions of the plants be considered when companies start
8 applying for relicensing?

9 MR. GROBE: Right. There is
10 not only about a year and a half's worth of effort that's
11 done in headquarters looking at plant license renewal
12 applications, there is also a series of two or three very
13 large team inspections, upward of ten folks, looking at
14 specific age-related type degradation, maintenance
15 activities, before license renewal is granted.

16 MS. RYDER: It just seems
17 that at some point, they're going to have to close the
18 plant. You know, I drive a twelve-year-old car and it's a
19 Honda, it's a very reliable car, but at some point I'm
20 going to have to turn it in for a safer vehicle. It seems
21 the same principle does apply to these plants.

22 MR. SHERON: That's true.
23 First off, as you know, there are some components that will
24 probably limit the life of the plant; for example, the
25 reactor vessel.

1 MS. RYDER: Right.

2 MR. SHERON: We do have
3 requirements for the reactor vessel in terms of
4 embrittlement, for example, 5061, which is the pressurized
5 thermal shock rule, okay.

6 As plants get older, as they become irradiated,
7 okay, their ability to withstand pressure as normal shock
8 decreases. When it reaches a certain level, then they have
9 to make a choice; either they can anneal the vessel, for
10 example, to restore a lot of that toughness, okay, or they
11 can replace it, if that's even a feasible thing, or they
12 can shut down at that point.

13 When we do renewed licenses, one of the things that
14 we focus on is making sure that plants have in place
15 age-related degradation programs to monitor it, to replace
16 components, and the like. That's the whole focus of the
17 license renewal reviews is to make sure that these plants,
18 the utilities have in place programs that will either
19 replace components or monitor at least the components for
20 age-related degradation.

21 MR. RULAND: And a number of
22 the programs, Licensees already have in response to the
23 maintenance rule, as an example, already do, do do that
24 monitoring.

25 MR. GROBE: These are usually

1 economic decisions. As Brian said, essentially every part
2 of the plant can be replaced, simply an economic decision
3 whether it's economically feasible to replace those
4 components or upgrade them or deal with age-related
5 degradation, or if there is some other approach that's more
6 cost beneficial. Those are company decisions, not NRC
7 decisions.

8 MS. RYDER: I understand,
9 thank you.

10 MR. GROBE: Okay, thank you.

11 Anyone else?

12 Okay, I guess the only final comment I would make,
13 I'm working my own personal age-related degradation
14 program, and I encourage you each to do the same.

15 We'll be back here at 7:00 if you're interested in
16 coming back.

17 Our next public meeting is June 3rd. That will be
18 here at the Camp Perry Clubhouse. And, we're currently
19 scheduling meetings through the summer. Those will likely
20 be back over to the high school, if we can procure that
21 facility.

22 Thank you very much.

23 (Off the record.)

24 - - -

25

1 CERTIFICATE

2 I, Marie B. Fresch, Registered Merit Reporter and
3 Notary Public in and for the State of Ohio, duly
4 commissioned and qualified therein, do hereby certify that
5 the foregoing is a true and correct transcript of the
6 proceedings as taken by me and that I was present during
7 all of said proceedings.

8 IN WITNESS WHEREOF, I have hereunto set my hand and
9 affixed my seal of office at Norwalk, Ohio, on this 17th
10 day of May, 2003.

11

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Marie B. Fresch, RMR

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NOTARY PUBLIC, STATE OF OHIO
My Commission Expires 10-9-03.

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